

AAHA Annual Conference

Creating An "Experience" for Your Clients

Daniel H. McQuiston, Ph.D.
Butler University, Indianapolis
317.940.9474

dmcquist@butler.edu
www.mcquistongroup.com

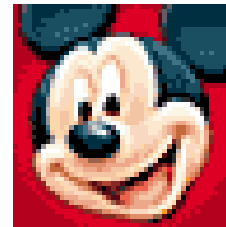


Objectives of Session

- **To discuss how we're transitioning to an 'Experience Economy'**
- **To outline the five ways an experience is created**
- **To give you a chance to figure out how a veterinary clinic can begin to stage positive experiences**

Let's begin with a question ...

- What do all these have in common?
 - Starbucks
 - Cabela's
 - White water rafting
 - Disney World



They all seek to create 'Experiences'

- **What is an 'Experience'?**
- **When a company intentionally uses services as the stage, and goods as props, to engage individual customers in such a way that creates a memorable event**

How have economies changed?

- Let's consider the four stage evolution of the birthday cake



The Progression of Economic Value

- **Agrarian economy – cake was made from scratch**
- **Industrial economy – paid a dollar or two to Betty Crocker**
- **Service economy – busy parents bought cakes from bakery or grocery**
- **Experience economy – outsource entire party to Chuck E. Cheese's !**

Because consumers are unquestionably desiring experiences, more and more businesses are responding by explicitly designing and promoting them

A quick discussion

- **In groups of 3 or 4, discuss:**
 - **What was your most memorable paid-for experience in the past year?**
 - **What made it so?**

But how is an 'experience' different?

- Commodities, goods, and services are external to the buyer
- Experiences are inherently personal, existing in the mind of an individual who has been engaged on an emotional, physical, intellectual, or even spiritual level

Economic Distinctions

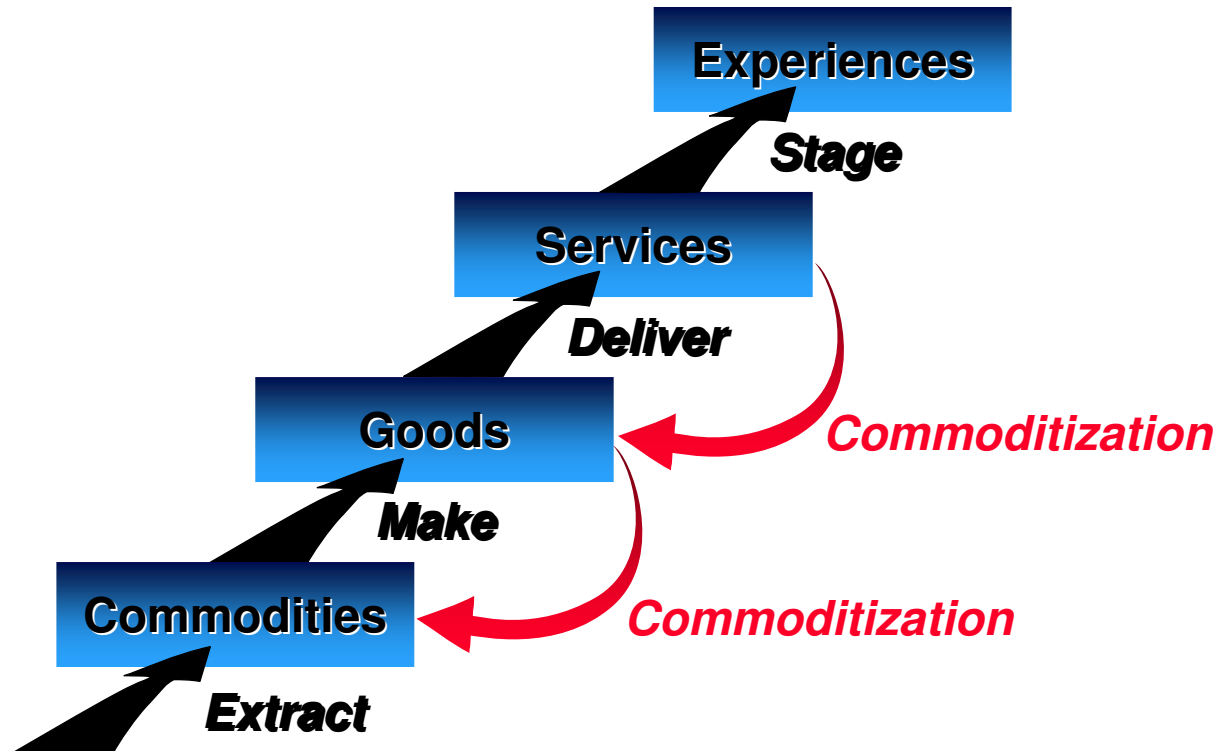
	Commodities	Goods	Services	Experiences
Economy	<i>Agrarian</i>	<i>Industrial</i>	<i>Service</i>	<i>Experience</i>
Economic function	<i>Extract</i>	<i>Make</i>	<i>Deliver</i>	<i>Stage</i>
Nature of offering	<i>Fungible</i>	<i>Tangible</i>	<i>Intangible</i>	<i>Memorable</i>
Key attribute	<i>Natural</i>	<i>Standardized</i>	<i>Customized</i>	<i>Personal</i>
Method of supply	<i>Stored in bulk</i>	<i>Inventoried after production</i>	<i>Delivered on demand</i>	<i>Revealed over a duration</i>
Seller	<i>Trader</i>	<i>Manufacturer</i>	<i>Provider</i>	<i>Stager</i>
Buyer	<i>Market</i>	<i>User</i>	<i>Client</i>	<i>Guest</i>
Factors of demand	<i>Characteristics</i>	<i>Features</i>	<i>Benefits</i>	<i>Sensations</i>

**And what's a major
determinant in how we
'move' from one economy to
another?**

TIME



The Progression of Economic Value



Designing an experience

- **Before a company can charge admission, it must design an experience that customers judge to be worth paying a fee for**
- **Seasonal festivals, State Fairs charge**
- **Shaper Image and Brookstone do not**

Designing a Memorable Experience

- **Theme the experience**
- **Create positive cues that affirm the experience to the client**
- **Eliminate negative cues**
- **Mix in memorabilia**
- **Engage all five senses**

Theme the experience

- Think of the businesses we mentioned earlier -- Cabela's, Disney, and others
- How have they created their 'themes'?



Establishing a 'theme'

- **Client's sense of reality is altered by affecting the experience of space, time, and matter**
- **These themes are integrated into a cohesive, realistic whole**
- **Themes are strengthened by creating multiple places within a place**
- **Themes fit the character of the business**

For later discussion

- **What ‘themes’ can you think of for a veterinary clinic?**
- **Think of what you might have seen in other clinics, or in a hospital that might be applicable**



Create positive cues that affirm the experience

- **The theme is the foundation, cues are the positive takaways of the experience**
- **“It made me feel ...” or “It was like ...”**
- **Can be created by staff**
 - **Custodians at Disney**
- **Can also be architectural, visual, or aural**
 - **Ambiance at Starbucks**
 - **Main Street USA at Disney**
- **Positive cues for a vet clinic?**

Eliminate negative cues

- **What detracts from the theme?**
 - i.e., most posted signs!
- **i.e., “Thank You” on the trash bin**
 - Solution -- a ‘talking’ trash bin
- **Disney characters are always “in character”**
- **And remember: a negative cue can create a negative experience!**

Question

What are negative cues for a vet clinic, and how can they be eliminated?

Mix in memorabilia

- **Certain goods have always been purchased for the memories they convey**
 - i.e., ticket stubs, T-shirts, etc.
- **You must stage a positive experience to create a demand for memorabilia**
- **If there's no demand, you haven't staged a positive experience!**

Question

What memorabilia can you mix in to commemorate a positive experience?

Engage all five senses

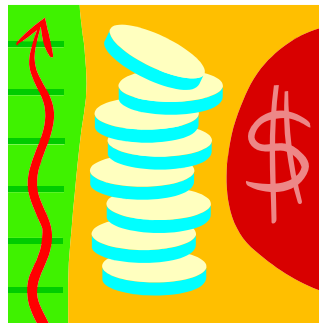
- The more senses an experience engages, the more effective and memorable it can be
- i.e., shoeshiner snaps cloth, grocery stores pipe smells into aisles, fresh coffee smell in bookstores

Question

How can a vet clinic engage the five senses?

But

To realize the full benefit of staging experiences, businesses must deliberately design engaging experiences that *command a fee*



For example

- **Movie theater in Michigan charges customers 25% more than competitors because he creates “a fun-house themed experience”**
 - **Restaurants, arcades, miniature rides all create that experience**

Question

Can you charge for creating an ‘experience’?

Exercise

- **Gather in groups of 3 or 4**
- **Review the five ways to create an experience**
- **What ways have or could a vet clinic use to create a positive experience?**
- **The more ways you can come up with the better!**

Summary

- **Our economy is rapidly progressing into an experience economy**
- **Remember the five aspects of creating an experience**
 - **Theme the experience**
 - **Create positive cues**
 - **Eliminate negative cues**
 - **Mix in memorabilia**
 - **Engage all five senses**